

Blumenau Homeowners Association 1 & 2
31st Annual Meeting Minutes: Saturday, July 23rd, 2011

Meeting was called to order at 1:08pm.

I. Reading & Adoption of Minutes from 2010 Annual Meeting

- A. Determination of a Quorum - We had 19 property owners present and 33 lots accounted for by proxy for a total of 52 lots represented. Many other proxies had been received, but those to whom they were assigned did not show.
- B. Minutes were read by Bonnie Mowry. Motion for approval was made by Terry Napolitan, seconded and approved by unanimous vote.

II. Old Business: There was none deemed necessary to discuss.

III. New Business

- A. County Tax Assessment: There was a concern presented via email about the County Assessor's determination of Property Taxes.
 - This cannot be addressed as an HOA, however individual Homeowners can complete a form found on the back of the assessment (or pick up at assessor's office) to dispute the property assessment amount.
 - Several homeowners have had success in lowering their property's assessment.
 - Jeff Mowry explained that he learned that properties are evaluated every 2 years, 2011 was determined by 2009 property values.

B. Water:

- Reminder of Situation: BHA is required to store 5.64 Acre Feet of water in Antelope Valley Ranch Reservoir on Vicki Livingston's property for winter release to meet our water decree responsibilities. The water decree requires that water from Schwab Ditch 1 flow into Antelope Valley Ranch Reservoir (AVRR), however this has never been possible.
- Mike Hess explained that Last year's meeting information as presented at the 2010 meeting is no longer valid. We cannot use Upper Arkansas Water Conservation District or Round Mountain Water District water to fulfill our obligations. Water must be "released" into Antelope Creek, not Grape Creek or out of Lake Deweese.
- Mike Hess reviewed the handout "Summary of Actions" (attached), explaining how everything has progressed from March 2010 to present. Summary: Communication with Vicki Livingston commenced in July 2010. After positive meetings with Vicki in which various favorable studies of the reservoir commenced, progress stalled after Vicki involved her lawyers who have indicated she now desires compensation that would cost the BHA approximately \$275,000 over a 20 year period for storing water. It is their position that BHA does not have the right to store water in AVRR.
- BHA has received an order from Water Division Engineer to resolve issue and reach an agreement with Vicki or face court summons.
- BHA BOD has determined that Vicki Livingston's demands are outrageous and unacceptable and informed the Water Division that we have no agreement and are prepared to go to court.
- Mike Hess has been in contact with a lawyer as well as many water officials who all agree that we have a strong case.
- Mike Hess and other BOD members will be meeting with Water Division on July 27th.

IV. Election of New Board of Directors

- Eric Letendre and Chiowa Rehkop have decided not to continue as President and Vice President respectively.
- It was recommended that due to the water situation, BOD members need to be full time residents to accommodate recurring emergency BOD meetings.
- Mike Hess was nominated for president by Eric Letendre, seconded by numerous homeowners and approved by unanimous vote.
- Terry Napolitan was nominated for Vice-President by ?, seconded by Rance Tallent. Then Cal Leslie was nominated for Vice-President by ?. Terry Napolitan withdrew his name in deference to Cal Leslie. Leslie's nomination was then seconded by June Kilburn and approved by unanimous vote.
- Bonnie Mowry was nominated to continue as Secretary/ Treasurer by Mike Hess, seconded numerous homeowners and approved by unanimous vote.
- Members at Large were nominated by Mike Hess & seconded by numerous homeowners and approved by unanimous vote: Terry Napolitan, Eric Letendre, Don Pinella, Mark Evert & June Kilburn;
- Alternates were approved by unanimous vote: Chiowa Rehkop & Jeff Mowry

Meeting was adjourned at 2:15pm